

INFORMATION LETTER

Not for
Publication

NATIONAL CANNERS ASSOCIATION

For Members
Only

No. 908

Washington, D. C.

November 7, 1942

INTERPRETATION OF AMENDED M-237 PRESENTED IN LETTER TO ASSOCIATION Canner May Sell His Last 30 Per Cent If It Is Withheld from Consumption

One of the sections of the amended Order M-237 that has appeared to be difficult for the trade to understand is that having to do with the restrictions placed on the last 30 per cent of the canners' civilian pack, and more particularly the tie-up of these restrictions with the restrictions placed on the wholesale receiver in paragraph (b) (4) of the order. The Association requested that the administrator of the order interpret this phrase insofar as it affects the last 30 per cent of the canner's pack, and the permission granted the wholesale receiver to accept delivery beyond his own quotas, as established in the order. In other words, a definite interpretation was requested of the phrase in paragraph (b) (4) of the amended form of the order, which reads as follows: "Notwithstanding this subparagraph, a wholesale receiver may accept delivery from a canner in excess of his quota in advance of the canner's permitted delivery date, as permitted in paragraph (b) (2), whenever the canner's permitted delivery date is not earlier than April 1, 1943."

This interpretation is incorporated in the following letter from Assistant General Counsel Manly Fleischmann of the War Production Board:

"Mr. Jacob Rosenthal, the Administrator of Order M-237, has referred to me your inquiry of November 4, 1942, in which you request an interpretation of paragraph (b) (4) of Order M-237.

Early Room Reservations Urged

Member canners who plan to attend the Processors' Conference in Chicago the week of December 13 and who have not made requests for room reservations are requested to advise the Association immediately as to their requirements. The time within which room reservations for the Conference are to be arranged is much shorter than the period available for this work preceding the usual January convention. Early action by canners will facilitate the handling of requests and avoid the possibility of last-minute confusion. If you are within a day's mail-time from Washington, send your request to the Association by letter; if farther distant, it is suggested that you wire.

In planning for attendance canners should bear in mind that the number from each firm sent to the Conference should be limited, in order to conform to the wishes of the Office of Defense Transportation that travel be kept to a minimum.

"Perhaps the explanation can be made more complete by discussing some other provisions of the order as amended. A distinction is made between *delivery* and *shipment*. The order uses these terms in their legal sense. Thus, a wholesale receiver may have accepted *delivery* of restricted canned foods within the meaning of the order, although in fact they were never *shipped* from the canner's plant; paragraph (b) (2) permits *delivery* in this sense by the canner of his entire pack in advance of the permitted delivery dates, the restrictions on delivery being transferred to the wholesale receiver. But paragraph (b) (3) prohibits *shipment* of the last 30 per cent of the pack before April 1, 1943, unless the canner (or the wholesale receiver, after he has accepted legal delivery) is unable to find heated warehouse space at or near the cannery.

"The principal purpose of the amendment of October 30, 1942, was to relieve canners who found it a hardship to hold

(Concluded on page 7326)

NOTIFICATIONS OF PERMITTED INCREASES

Packers of Apple Butter, Preserves, Jams and Jellies Must Notify Their Customers

Packers of apple butter, jams, jellies and preserves must notify their wholesale and retail customers in writing of the "permitted increases" in price which these wholesalers and retailers are allowed to make, the Office of Price Administration has ruled.

This notification is necessary because OPA has authorized wholesalers and retailers to pass such "permitted increases" on to the ultimate consumer, and only the processors know what the amounts of these increases are. This adjustment represents the actual higher raw material and labor costs of processing the 1942 packs over those of 1941 which have already been reflected in the processor regulations applicable to these products.

In general, Maximum Price Regulation No. 226 (Fruit Preserves, Jams and Jellies) allowed the packer, in setting his maximum price, to calculate a 1941 weighted 90-day average price and to add to it certain increases. Amendment No. 1 to this processor regulation, which became effective November 6, requires the packer to notify each of his purchasers—whether wholesaler or retailer—in writing the specific amount by which his new maximum price exceeds his December, 1941, weighted average figure. The December, 1941, price was taken (instead of the processor's 1941 base period price) because wholesalers' and retailers' present prices already reflect packer increases occurring before December, 1941.

The amendment to the fruit preserves, jams and jellies regulation also announced the figure \$6.50 as the maximum permitted increase for apples and crabapples. This is the

amount by which apple prices generally have increased since last season. Its recognition is necessary to encourage production and insure a fair grower return, it was stated.

In the case of apple butter, which is covered at the packer level by Maximum Price Regulation No. 232 (Apple Butter), the processor was required to calculate a 1941 weighted 60-day average price and add to it certain increases. The new Amendment No. 1 to that regulation, which also became effective November 6, 1942, requires the packer to disclose to each of his wholesale and retail customers the amount by which his ceiling price exceeds his December, 1941, weighted average price. As in jams, jellies and preserves, this information is to be used by wholesalers and retailers in establishing their own new ceiling prices.

The notification clause which prevails in the case of any item of fruit preserves, jams, jellies or apple butter which is being sold by a packer to a wholesaler for the first time after the processor's ceiling has been set, must include: (1) the weighted average price charged by the packer during December, 1941, (2) the packer's new maximum price under the regulation and (3) the difference between the new ceiling and the December weighted average figure. This difference, of course, represents the "permitted increase" figure which wholesaler (and later the retailer) may pass on to the user.

In order to insure adequate retailer notification the new amendments also outline a "general package requirement," which must be observed by every packer selling jams, jellies, preserves or apple butter during the 90-day period which began November 6, 1942. This requirement prevails whether the sale is made to a wholesaler or a retailer. A "Notice of Retailer's Permitted Increase" must be either posted or stamped on the outside of each shipping case sold, or printed on a slip and enclosed. The notice does not have to be placed on every jar or package, however. In the event that the slip is enclosed, the packer shall state on the outside of the case "Retailer's Notice Enclosed."

However, some of the unsold preserves, jams, jellies and apple butter have already been shipped or have otherwise left the factory. Thus, it would be impossible for processors to make this kind of retailer notification. In such exceptional cases, on first sales by packers to retailers where notices do not accompany the packages, the packer must send the retailer (before or at time of delivery) a written statement which clearly identifies each item included in the sale. This statement also must show the "permitted increase" which the retailer is directed to add to his present March ceiling price. The packer must first calculate the retailer's permitted increase for the item by reducing the "permitted increase" which he computed for the wholesaler—where necessary—into the smaller units in which the commodity usually is sold at retail.

Another provision of the new amendments excludes from the calculation of 1941 base prices all sales made before the 1941 base period. This clause is inserted to make more explicit a result previously reached by interpretation. Sales contracts made before costs are known are not likely to reflect actual costs accurately. Therefore, they are excluded from computation of a figure which is intended to reflect these costs.

Text of the amendment affecting apple butter follows. Except for commodity designations and section references, the text of the amendment for fruit preserves, jams, and jellies, is identical.

Amendment No. 1 to Maximum Price Regulation No. 232

APPLE BUTTER

Section 1341.452 (b) (1) is amended by adding the following sentence: "Sales made prior to this period shall not be included, even though delivery was made during the period."

The following sections are added:

§ 1341.459a—Information which packers must give their customers.

(a) *Notice from packers to wholesalers.* In the case of any item of apple butter which is being sold by a packer to a wholesaler for the first time after the packer's maximum price for it has been established under §§ 1341.452 or 1341.453, the packer shall send the wholesaler (before or at the time of delivery) a written statement which lists for each such item included in the sale, (1) the weighted average price charged by the packer during the month of December, 1941, called the "base price", (2) the packer's maximum price, as calculated under the provisions of this regulation, called the "maximum price", and (3) the amount of the difference between the "base price" and the "maximum price", called the "wholesaler's permitted increase". When any packer has established a maximum price by taking the maximum price of his competitor, as provided in § 1341.453 (a), his base price shall be the base price of the competitor. When any packer asks for special authority to determine a maximum price under § 1341.453 (b), the Office of Price Administration will instruct him how to determine his base price. When calculating the "wholesaler's permitted increase", the packer shall adjust any fraction of a cent to the nearest fractional unit in which the wholesaler customarily quotes prices for the item.

(b) *Notice from packers to retailers—(1) General package requirement.* Every packer who sells any item of apple butter during the 90-day period beginning November 6, 1942, whether to a wholesaler or a retailer, shall include with the shipping case (or other package unit in which the retailer usually purchases the product) a "Notice of Retailer's Permitted Increase". This notice must be either pasted or stamped on the outside of each shipping case sold, or printed on a slip and enclosed. In the latter case the packer shall place this statement on the outside: "Retailer's Notice Enclosed". The packer shall calculate the retailer's permitted increase for the item by reducing the permitted increase which he computed for the wholesaler under paragraph (a), where necessary, to the units in which the commodity is usually sold at retail. When making this calculation, the packer shall adjust fractions of one-half cent or more to the next higher cent and fractions of less than one-half cent to the next lower cent. Except for the proper insertion, the Notice of Retailer's Permitted Increase shall read as follows:

Your new OPA ceiling price for the enclosed item is your March ceiling price *plus* — cents per retail container. OPA requires you to keep this information for examination.

(2) *First sales directly to retailers; where notices do not accompany packages.* In the case of any item of apple butter which is being sold by a packer to any retailer for

the first time after the packer's maximum price for it has been established under §§ 1341.452 or 1341.453 and which for any reason is being sold in a form which does not include a packer's Notice of Retailer's Permitted Increase, the packer shall send the retailer (before or at the time of delivery) a written statement that (i) clearly identifies each such item included in the sale and (ii) states the "permitted increase" for it which the retailer is directed to add to his maximum price as established under the General Maximum Price Regulation. When preparing the statement the packer shall calculate the retailer's permitted increase for the item by reducing the permitted increase which he computed for the wholesaler under paragraph (a), where necessary, to the units in which the commodity is usually sold at retail. When making this calculation, the packer shall adjust fractions of one-half cent or more to the next higher cent and fractions of less than one-half cent to the next lower cent. Each statement shall be accompanied by this notice:

Your new OPA ceiling price for each item noted is your March ceiling price *plus* the permitted increase shown per retail container. OPA requires you to keep this information for examination.

This statement may also contain similar information for any other items covered by this regulation even though they are not included in the sale.

§ 1341.466 *Effective dates of amendments.* (a) Amendment No. 1 (§§ 1341.452 (b) (1), 1341.459a, and 1341.466) to Maximum Price Regulation No. 232 shall become effective on November 6, 1942.

FOOD PRICE ADJUSTMENTS BROADENED

OPA Regroups Products For Which Distributors' Permitted Increases Are Allowed

Six groups of food products now covered by separate regulations but whose wholesale and retail price structure requires the same type of permitted increases, have been consolidated by the Office of Price Administration under one heading. At the same time, machinery was provided by OPA for the addition of other products whenever adjustments of this type become necessary. The six groups, which are the first to be covered under two new regulations—one for wholesalers and a second for retailers—are as follows:

Canned fruits, berries and juices, as listed.
Frozen fruits, berries and vegetables.
Fruit preserves, jams and jellies.
Apple butter.
Canned shrimp.
Domestic canned crabmeat.

In each of the six groups, individual price regulations already allow "permitted increases" in price at the packer or canner level, representing actual increases in raw material and labor costs of processing the 1942 packs over those of 1941.

In four of the groups, individual regulations already issued allow the wholesaler and retailer to pass the packer's "permitted increase" along to the consumer. These groups are canned fruits, berries and juices; frozen fruits, berries and vegetables; canned shrimp and domestic canned crabmeat.

For the remaining two groups—preserves, jams and jellies, and apple butter—OPA had earlier indicated that similar action was forthcoming at the wholesale and retail levels.

This is the third of three types of food regulations which have been developed by the Office of Price Administration after studies covering several months. The first regulation provided alternative pricing methods on 11 broad groups of grocery staples. Announced October 10, it was designed to relieve the squeeze on distributors arising from March, 1942, ceiling price inequities. (See October 10 INFORMATION LETTER.)

The second regulation covered certain seasonal and miscellaneous commodities which were not sold during March. This was reported in the October 31 LETTER. The third and current "permitted increase" type of order permits distributors to pass on to consumers their additional costs of certain new-pack canned foods, other than vegetables.

The time lag in distribution of products between the wholesale and retail levels is given consideration in setting base periods for both types of merchandisers. Maximum Price Regulation No. 256 (Permitted Increases for Wholesalers of Certain Foods), effective November 6, 1942, lists the base month periods at which that regulation shall apply at wholesale. Maximum Price Regulation No. 256 (Permitted Increases for Retailers of Certain Foods), also effective November 6, lists March as the base month at which that regulation shall apply at retail. The base period dates follow:

Commodity group	Base period	
	Wholesale	Retail
Canned fruits, berries and juices, as listed.....	Feb. 1942	Mar. 1942
Frozen fruits, berries and vegetables.....	Mar. 1942	Mar. 1942
Fruit preserves, jams and jellies.....	Feb. 1942	Mar. 1942
Apple butter.....	Feb. 1942	Mar. 1942
Canned shrimp.....	Mar. 1942	Mar. 1942
Domestic canned crabmeat.....	Mar. 1942	Mar. 1942

* On sales to institutional purchasers of frozen fruits, berries and vegetables, October, 1941, shall be the base month.

Wholesalers and retailers of these food products may add the "permitted increase" given them by their processors—and no more—to their specified base period prices, thus arriving at their ceiling prices. In the original packer regulations, processors have been required to notify wholesale or direct-buying retail customers of the exact amount of the "permitted increase." In the new wholesale regulation, wholesalers must notify their retail clients of the "permitted increase," where the packer has not done so already.

The following 24 products will be covered under the canned fruits, berries and juices classification in the new wholesale and retail "permitted increase" regulations:

Fruits: Apricots, red sour pitted cherries, sweet cherries, figs, fruit cocktail, fruits for salad, clingstone peaches (including clingstone nectarines), freestone peaches (including freestone nectarines), pears, Hawaiian pineapples, plums, fresh prunes;

Berries: Blackberries; blueberries; boysenberries; cranberries; gooseberries; huckleberries; loganberries; black raspberries; red raspberries; strawberries and youngberries; and

Juices: Fruit juices, berry juices and nectars, plain or mixed, made from any of the fruits and berries listed in the regulation.

INDIVIDUAL PRICE RELIEF LIMITED

New OPA Policy Provides A Broad Adjustment Program Under Basic Regulation

A change in administrative policy, limiting the grounds upon which individual ceiling price adjustments will be granted, was announced by the Office of Price Administration on November 3. As part of the change in policy, OPA has issued Revised Procedural Regulation No. 1, an important feature of which precludes the consideration of any petition for amendment of a price regulation unless it involves a matter of general applicability. This new procedural regulation has the effect of limiting petitions for amendment—for instance, amendments sought under the canned vegetable and fruit regulations (Maximum Price Regulations 152 and 185)—to those of general application to the industry.

Other steps taken to implement the new policy as outlined in an OPA press release include:

1. Termination on November 30 of Section 18(a) of the General Maximum Price Regulation and all similar sections in other price regulations (except the services regulation—Maximum Price Regulation No. 165—as amended). This section allowed a retailer to apply for price adjustments if he was suffering substantial hardship because his ceiling price was abnormally low in relation to his competitors. Applications for relief under this section (whether in GMPR or any other regulation) will be accepted until midnight, November 30, and will be processed, along with all other applications pending as of that date.

2. Termination on November 15 of Section 18(b) of GMPR and similar sections in all other price regulations. This section permitted wholesalers and manufacturers to apply for price adjustments on substantially the same grounds as retailers, except that, in addition, the applicants must be able to show that any adjustment granted would have no effect on the retail level. Applications from wholesalers and manufacturers under this section (whether in GMPR or any other regulation) will be accepted until midnight November 15, and will be processed, along with all other applications pending as of that date.

3. Immediate revocation of Section 18(c) of GMPR and similar sections in all other price regulations (except the services regulation). This section was a "catch-all" which allowed the filing of petitions for adjustment by any seller whose situation did not fit either 18(a) or 18(b) and who could prove the special character of his case. No pending applications will be granted under 18(c).

OPA explained that this section was eliminated because its broad, indefinite provisions for adjustments, embracing every conceivable case and inviting a limitless number of requests for individual relief, are inconsistent with the new policy which requires adjustment provisions to contain precise standards.

4. No change in Section 18(d) of GMPR. This section, a recent addition, outlines the position of OPA with respect to adjustments of maximum retail prices that conflict with "fair trade" prices generally in effect during March, 1942.

5. Revocation of Section 18(e) of GMPR and its replacement by a paragraph stating that OPA, or any duly authorized agent, may adjust any maximum price established under GMPR in such cases as may be specified by supplementary regulation. Simultaneously, there is being issued Supplementary Regulation No. 15, which incorporates special provisions for adjustment in maximum prices for serv-

ices of carriers, other than common carriers, and for storage and terminal services. These provisions originally were contained in Section 18(e).

One new general adjustment provision is being added to GMPR—and when the others are eliminated will be the only one remaining of general applicability. Designated 18(c), this new section is designed to permit local action to meet significant local shortages. It provides for price adjustments for any seller or group of sellers wherever it appears that:

1. There is or threatens to be in a particular locality a shortage of a commodity or service which aids the war program or is essential to a civilian standard of living consistent with the prosecution of the war; and

2. A price adjustment will substantially reduce or eliminate the local shortage; and

3. The adjustment will not disturb supplies in any other locality; nor create a need for higher prices; and

4. The adjustment will effectuate the purposes of the Emergency Price Control Act of 1942, as amended.

Even under this new provision, it is contemplated that the price of an individual seller will be adjusted only in rare instances. Instead, where circumstances make it essential, local regulations or orders will be issued limited in their application to a particular group or class of sellers. Regional administrators are being vested with the necessary authority to act on applications under the new section.

Similar changes are being made in the services regulation—Maximum Price Regulation No. 165 as amended. The deadline for applications filed under Sections 1499, 114(a) and (b) of that Regulation, permitting the granting of adjustments in cases involving undue hardship caused by out-of-lineness, or by cost increases between February 1 and April 27, 1942, is January 1, 1943, rather than November 15 and 30, 1942, the corresponding deadlines under the General Maximum Price Regulation.

For the same reason, paragraph (c) of Section 114 of the services regulation which enables sellers who do not qualify under (a) or (b) to apply for relief when they show hardship resulting from special circumstances—is retained for the present although it is expected that any adjustments which become necessary under Section 114 (c) will be dealt with so far as possible by general amendment rather than by individual adjustments, thus further effectuating the policy announced.

OPA Launches Price Compliance Drive

The Legal Division of the Office of Price Administration stated this week that its Enforcement Branch has begun a drive to assure full compliance, by canners, of the vegetable and fruit price regulations. Sections contained in each of these two regulations (Nos. 152 and 185) make persons violating the provisions of the regulations subject to the "penalties, civil enforcement actions, and suits for treble damages provided for by the Emergency Price Control Act."

Georgia Canners Plan Second Meeting in January

The Georgia Canners Association is planning to hold its previously announced annual meeting on November 18-19, to take care of local and organizational matters, and to follow it with a second meeting during January, at which time the government agencies would be given the full time of the program.

WANTED AND FOR SALE **Machinery—Equipment**

Names of member-firms who want to buy or who are offering for sale the machinery and equipment items listed below will be furnished upon application to the Association. When requesting names, be sure to give the number of the item referred to (1-S, 1-W, etc.), and your own firm name.

This service is limited to publication of the items wanted or for sale and to furnishing the identity of buyer or seller on request. When offering machinery and equipment for listing in this column, always include a brief description of the item. Address copy to attention, INFORMATION LETTER. Copy should be mailed so as to arrive in Washington not later than Thursday for publication the same week.

WANTED

- 1-W—Eight cherry stemmers, new model Urschels preferred.
- 2-W—Several steam jacketed kettles, miscellaneous sizes, larger sizes preferred.
- 3-W—Several retorts, horizontal type. Advise size, make, and condition.
- 4-W—Urschel string-bean cutter.
- 5-W—Syruper and juice filler, 60 p.m., minimum capacity.
- 6-W—Fifty-foot light weight gravity wheel conveyor track.
- 7-W—Straight-line hot water exhaust box, to handle No. 2 to No. 10.
- 8-W—Asparagus blancher.
- 9-W—Two power lift-trucks. Please furnish full details.
- 10-W—Steam jacketed equipment, approximately 200-gallon capacity, capable of withstanding jacket pressure of at least 90 pounds per square inch, monel or stainless steel preferred; well-tinned copper acceptable; not interested in aluminum. Also interested in 100- and 150-gallon sizes. Werner and Pfeiffer steam jacketed mixing tanks might be suitable if small enough to meet requirements.
- 11-W—Ayars high-speed, 9-pocket, Universal tomato and cut string bean filler with brine attachment.
- 12-W—Peerless rotary exhaustor.
- 13-W—Three 42 x 72 inch I.D. closed pressure retorts.
- 14-W—Equipment for a cooling tank.
- 15-W—Center crank horizontal steam engine, 25 to 30 h.p.
- 16-W—Several 42 x 72-inch closed retorts.
- 17-W—Economic boiler with stack, 60 h.p.
- 18-W—Green bean line—four to 10 snippers, automatic blancher, one or two cutters, two to four pre-graders. Complete line preferred but will consider individual units.

FOR SALE

- 1-S—Tenderometer that has been used to grade not over 40,000 cases of peas.
- 2-S—Sinclair-Scott hydro pea separator equipped to separate 1 and 2 sieves together and 3's and 4's going as Standards; has a set of screens for lima beans; machine is in first-class working condition.
- 3-S—One Excello pea washer.
- 4-S—Two viner pea shed cleaners, small size.
- 3-S—One Anderson carrot dicer, 3/8-inch.
- 6-S—One pea dusting machine.

- 7-S—One pea quality grader.
- 8-S—One 50-gallon steam jacketed copper kettle.
- 9-S—Olney duo-washer and de-stoner in excellent condition.
- 10-S—Tomato washer.
- 11-S—Sprague 6-pocket corn filler.
- 12-S—Three Peerless corn trimmers (Sprague, fig. 502).
- 13-S—Small No. 10 can cooler.
- 14-S—Six crate covers.
- 15-S—Bucket elevator.
- 16-S—Twelve-foot section of 8-inch worm conveyor.
- 17-S—Two No. 5 crushed corn cutters.
- 18-S—No. 2 can tomato exhaust box.

WPB Urges Maximum Utilization of Machinery

The Food Branch of the War Production Board is desirous that the canning industry obtain maximum utilization of its present equipment. This position is taken in a letter recently addressed to the Association in which the Branch points to the scarcity and shortage of critical materials and suggests that since a large portion of canned foods production is seasonal, requiring use of equipment for a limited time, greater utilization of existing units might be made through: (1) Planning a growing program that will lengthen the season for packing, and (2) moving machinery from one area to another where crops mature at a different period.

Steps already have been taken by the Association in the matter of greater utilization of presently-owned machinery and equipment. At the suggestion of member canners who have experienced difficulties in obtaining new plant equipment because of metal shortages, the columns of the INFORMATION LETTER have been opened to canners who need machinery and to canners who have certain units, not in use, of which they would like to dispose. Through this "Wanted and For Sale" column, the Association hopes to expedite the full use of units of equipment and machinery that might otherwise lie idle during the present period of emergency production of canned foods.

OPA Exempts Canners' Used Machinery Sales

Processors and manufacturers—as well as merchants, farmers, and artisans—may sell their used equipment and supplies without reference to ceilings established by the General Maximum Price Regulation, the Office of Price Administration announced November 3.

From the outset GMPR exempted sales "by any merchant, farmer, artisan or person who renders professional services, of his supplies, or business, farm, or professional equipment, not acquired or produced for the purpose of sale."

Amendment No. 32 to GMPR, effective November 9, extends this exemption to manufacturers, processors, producers, non-profit institutions and others not included in the original exemption. As revised, the exemption applies to sales "by any person, of his used supplies or equipment not acquired or produced by him for the purpose of sale."

The amendment, however, in no way affects price controls on sales by persons who make a business of buying and

selling used equipment and supplies, and such sales in general remain subject to GMPR.

The amendment does not exempt any sales of used equipment or supplies for which ceiling prices are established by specific price regulations.

NEW WAGE AND SALARY ORDERS ISSUED

Internal Revenue, Not WLB, Has Jurisdiction Over Executive, Administrative Employees

This week the National War Labor Board, pursuant to its authority to regulate all wages and to regulate salaries up to \$5,000, except when paid to employees employed in a bona fide executive, administrative, or professional capacity who are not represented by duly recognized or certified unions (see INFORMATION LETTER No. 907, for October 31, 1942), issued three additional general orders. These define and clarify the limits of the Board's jurisdiction, exclude from it certain wage or salary adjustments made outside the territorial limits of the United States, and approve wage or salary increases made in compliance with State minimum wage statutes.

By General Order No. 9, the Board adopted as its definitions of the key terms, "executive", "administrative", and "professional", the definitions now followed by the Wage and Hour Division under the Fair Labor Standards Act. Accordingly, salaries of employees who are, under the Wage and Hour Act, occupying executive, administrative, or professional positions (and who are not represented by recognized labor organizations) are not subject to the jurisdiction of WLB, but instead to the jurisdiction of the Commissioner of Internal Revenue. Further, the Board, by Order No. 9, ruled that increases in salaries (otherwise subject to its jurisdiction) which, either by written agreement executed on or before October 27, 1942, or by formal action communicated to the employees on or before that time, were made applicable to work done prior to that date, are not under control. Accordingly, such increases, even though first reflected in a payroll subsequent to October 27, 1942, need not be approved.

By General Order No. 8, the Board determined that "adjustments in any wages or salaries over which this Board has jurisdiction, and which are paid in any territory or possession of the United States, except Alaska, are exempted from the operation" of the wage and salary restrictions, and "may be made without the approval of the Board." Only in the United States and Alaska, therefore, will WLB exercise any control over wages, or salaries under \$5,000. The Commissioner of Internal Revenue, however, who has control over all salaries not subject to the jurisdiction of WLB, has not as yet indicated what action he will take outside the continental limits of the United States.

General Order No. 7 merely recognizes that since the President's Executive Order No. 9250 (see INFORMATION LETTER No. 904 for October 10, 1942) does not affect the operation of the Wage and Hour Act, the wage and salary restrictions should not be allowed to affect the operation of State minimum wage statutes. Accordingly, the order gives blanket approval to all increases in wage and salary rates (subject to the jurisdiction of WLB) which are made in compliance with State minimum wage statutes.

Blackplate and Terneplate Uses Are Curtailed

Packing of varnishes and drying oils in blackplate metal containers after November 30 was prohibited by the War Production Board on November 2. In the same action (Amendment No. 2 to M-136) WPB required that beginning December 15, certain specified paints be packed in one-gallon fiber-bodied containers, with blackplate ends. This requirement expires on December 31, but will be superseded by new restrictions on that date.

The same provision applies to pigmented lacquers, which come under the order for the first time. Until December 15, this product may be packed in one-gallon blackplate containers.

The amendment also cuts use of blackplate for packaging all of these products by 10 per cent, reducing the total allocation for 1942 for these products to 90 per cent of the 1940 pack. Blackplate quotas for baking powder containers, previously set at 25 per cent of the 1941 pack, are continued to December 31 by the amendment.

Use of terneplate containers after November 30 for packing varnish removers, liquid lacquers, lacquer thinners, lacquer stains and shellac also has been prohibited. Containers for these products will, after November 30, be made of substitute materials such as glass or fibers.

An amendment (No. 5, effective November 4) to Order M-81 also provides that terneplate used for packing these products this year cannot exceed 90 per cent of the consumption in 1940.

In addition, the amendment prohibits packing of edible liquid oils in tinplate or terneplate containers of less than 5-gallon capacity. For November and December the quota for terneplate and tinplate for such containers is established at 10 per cent of the total 1940 consumption for smaller containers of 5-gallon and higher capacity.

Government to Purchase and Import Rotenone

A government program for the purchase and importation of rotenone from Brazil and Peru to be carried out by the Commodity Credit Corporation was announced jointly by the United States Department of Agriculture and the Board of Economic Warfare on November 5. Officials hope to import at least 4½ million pounds of the insecticide during the next 12 months to help make up for the reduction in imports resulting from Japanese invasion of Singapore and to facilitate increased truck crop and livestock production.

Purchases will be made through existing commercial companies acting as agents for the CCC, so as not to disturb normal business channels. Sales of stocks acquired under the program will be made upon approval of the War Production Board at prices that are not in excess of prices established by the Office of Price Administration.

Ozark Cannery To Meet November 11

The annual fall meeting of the Ozark Cannery Association has been scheduled for November 11, at the Colonial Hotel, Springfield, Missouri.

1942 Pack of Canned Asparagus

The 1942 pack of canned asparagus amounted to 3,914,830 actual cases—more than $\frac{3}{4}$ of a million larger than the pack of 3,104,296 actual cases produced in 1941, according to figures compiled by the Association's Division of Statistics. The following table shows the total pack of recent years:

Year	Cases
1938.....	2,403,214
1939.....	2,519,892
1940.....	3,108,562
1941.....	3,104,296
1942.....	3,914,830

The table below presents detailed figures on the 1941 and 1942 packs in actual cases, by variety and region. The California figures shown are provided by the Asparagus Advisory Board.

Region	1941		1942	
	Regular Cases	All Green Cases	Regular Cases	All Green Cases
New Jersey.....	2,339	339,937	.....	652,694
Illinois.....	8,706	355,597	6,550	341,814
Michigan.....	.....	184,108	.....	196,146
Washington and Oregon.....	.....	182,220	.....	248,847
California.....	1,079,222	498,796	1,402,242	855,804
Other States.....	10,638	242,643	3,142	207,501
Total.....	1,100,995	2,003,301	1,411,934	2,502,896

The following table shows the 1942 pack of canned asparagus in actual cases, by size of container:

Size, all regions	No. per case	White Cases	Green Cases	Total Cases
No. 2.....	24	671,437	1,442,115	2,113,552
#2 Tall.....	72	1,309	82,597	83,906
No. 1 (pint).....	48	154,579	165,501	320,080
No. 1 Tall.....	48	47,960	24,065	72,025
No. 1 Square.....	24	214,205	19,050	233,255
No. 2½.....	24	14,216	2,624	16,840
No. 2½ Square.....	24	11,118	429	11,547
No. 300.....	24	.....	325,501	325,501
No. 10.....	6	281,928	403,747	685,675
Miscellaneous.....	..	15,182	36,667	51,849
Total.....	.....	1,411,934	2,502,896	3,914,830

ODT Directive On Canned Foods Carloading

Canned foods, including canned milk, are among a wide variety of products on which specific maximum loading regulations have been placed by the Office of Defense Transportation through a directive issued November 2. The new directive (Special Directive ODT No. 18 Revised-3) became effective November 1 and permits railroads to accept "for transportation at point of origin, or forward therefrom, carload freight consisting of a straight or mixed shipment of canned foods having a weight not less than 65,000 pounds".

The directive also provides that straight carload shipments of frozen fruits, vegetables, juices, seafoods, eggs, poultry, and meats are permitted in a closed car, packed in cartons or other containers when loaded to an elevation not lower than 18 inches from the ceiling measured at the side walls and when each layer of containers is of the same length and width as the floor space of the car.

PRIORITIES ON LONG DISTANCE CALLS

Importance of Message in the National Defense Effort Is Basis of Rating

The priorities established for certain classes of long distance telephone calls by the issuance of Order No. 20 of the Board of War Communications, went into effect on November 1. This system of priorities was imposed in order to ensure immediate or prompt completion of toll calls essential to the war effort or the public safety.

Under terms of Order No. 2, three classes of toll priorities are set up and are designated: Priority 1, Priority 2, and Priority 3, taking precedence in that sequence. The order defines these priorities as follows:

Priority 1 shall be given to calls which require *immediate* completion for war purposes or to safeguard life or property and which relate to one or more of the following matters: (1) Arrangements for moving armed forces during combat operations. (2) Extremely urgent orders to armed forces. (3) Immediate dangers due to the presence of the enemy, and (4) Hurricane, flood, earthquake or other disaster materially affecting the war effort or public security.

Priority 2 shall be given to calls which require *immediate* completion for the national defense and security, the successful conduct of the war, or to safeguard life or property other than those specifically described for Priority 1.

Priority 3 shall be given to calls which require *prompt* completion for the national defense and security, the successful conduct of the war, or to safeguard life or property and which involve matters of the following type: (1) Important governmental functions. (2) Machinery, tools or raw materials for war plants. (3) Production of essential supplies. (4) Maintenance of essential public services. (5) Supply or movement of food, and (6) Civilian defense or public health and safety.

On placing a toll call eligible for priority, the telephone user should say to the operator: "This is a Priority 1 (2 or 3) call," according to an explanation issued by the Board of War Communications. The Board points out that the order applies only to toll calls, commonly known as long distance calls, and not to local calls. Nor does the order ration or prohibit the placing and completion of toll calls by persons not entitled to a priority rating. The Board has, however, requested non-priority telephone users to reduce the number of their social and personal long distance calls, and, in any event, to make such calls during hours when the telephone circuits are less busy, namely, before 9 a. m., between noon and 2 p. m., 5 and 7 p. m., and after 9 p. m.

WPB Orders Allocation of New Steel Drums

New steel drum containers and parts in the hands of manufacturers were placed under complete allocation control by the War Production Board on November 3. Sheet steel allotted for the manufacture of steel drums has been found insufficient to satisfy all outstanding orders rated AA-1 or higher, making it necessary to exercise tighter control over sale and delivery of the containers.

The order, M-255, prohibits manufacturers from selling or delivering new steel drums and parts (excepting flanges, plugs and cap seals) after November 16, without specific authorization of the Director General for Operations. Likewise, persons manufacturing drums for their own use are prohibited from using any drums which were not manufactured before November 16, without similar authorization.

Tire Inspection Requirement Postponed by ODT

The requirement that there be a periodic inspection of commercial vehicle tires has been postponed by the Office of Defense Transportation from November 15 to January 15. This action was taken in an amendment to General Order ODT 21 made public on November 3. The amendment does not change the effective date of the order in any other respects, and by November 15 all operators of commercial motor vehicles must have obtained ODT Certificates of War Necessity authorizing continued use of their vehicles. The text of the original order was published in the INFORMATION LETTER of September 12.

Tire inspections, under the ODT order, will be made by inspectors appointed by the various War Price and Rationing Boards of the Office of Price Administration. After January 15, no truck or other commercial motor vehicle may be operated unless, within the preceding 60 days, its tires have been inspected and a certificate furnished the operator that all necessary steps for tire conservation have been taken. Tires on vehicles operated more than 5,000 miles during any 60-day period must be inspected each 5,000 miles.

The OPA boards have been called upon to appoint all competent tire men in their communities as fee-basis inspectors. In addition to making inspections of tires used on commercial vehicles, these inspectors will make the periodic passenger car tire inspections required by OPA beginning December 1.

Price Ceilings Fixed for Army Canned Beef

The Office of Price Administration has fixed specific price ceilings on a zone basis for boneless canner and cutter beef used in canned meat sold to the Army, in an order that became effective on October 31. Although the order on its face was limited to Swift and Company, in practical application it establishes ceiling prices for all canners purchasing beef for Army canned meat. This results since Swift and Company is probably the only seller, under new Army specifications, of boneless beef for canning who sold the same product, during the March base period of the maximum price regulation covering beef and veal wholesale prices, now required by the Army. Other canners, therefore, must follow the prices established by the Swift and Company order, since that firm becomes the most closely competitive seller for all, it was explained.

Evaporated and Condensed Milk Statistics

The output of unsweetened evaporated whole milk (case goods), estimated at 227 million pounds for September, was 22 per cent smaller than the September, 1941, production but is 37 per cent larger than average for September, 1936-40. Stocks of evaporated milk (case goods) held by manufacturers on October 1 totaled only 137 million pounds, or 60 per cent below a year earlier and 47 per cent lower than the October 1, 1936-40, average.

Sweetened condensed milk (case goods) production during September was estimated at 8,589,000 pounds—a decrease of 15 per cent from the production in the same month a year ago but an increase of 91 per cent from the 5-year (1936-40) average for September. Stocks on October 1 of only 4,124,000 pounds were at the lowest level for the date in 23 years of records, and were 59 per cent smaller than on October 1 last year.

California Sardine Tonnage and Packs

Estimated figures on tonnage of sardines delivered to California processing plants and cases of canned sardines packed during the current season to October 29, inclusive, along with comparison to a year ago, as reported by the California Sardine Products Institute, are as follows:

TONNAGE:	Week ending	Season to—	
	Oct. 29, 1942	Oct. 29, 1941	Oct. 31, 1941
	Tons	Tons	Tons
Northern District (San Francisco Bay)...	78,893	136,003	136,003
Central District (Monterey).....	35	91,022	150,022
Southern District (Southern California).....	165	50,279	52,813
Total.....	200	220,794	330,438

PACKS, ALL DISTRICTS:	Cases		
	Cases	Cases	Cases
Can Sizes:			
1-lb. Oval.....	559,046	1,160,901	1,160,901
1-lb. Tall.....	971	624,605	978,911
35-lb. Fillet.....	38,759	91,163	91,163
35-lb. Round 96's.....	38,947	122,171	122,171
5-oz. 100's.....	70,661	215,062	215,062
Miscellaneous.....	14,020	114,670	114,670
Total.....	1,274	1,346,038	2,682,413

WPB Order Controls Use of Shipping Bags

Strict controls over the use of cotton, burlap, or any jute fabric bags were imposed, November 3, by the War Production Board with the issuance of Conservation Order M-221, which will be administered by the Containers Branch. The order will be in effect for two months, pending further study of the textile bag situation.

Among principal features of the order is the requirement that all bags be opened at the seam or closure by samplers or "commercial emptiers." "Commercial emptiers" are defined as persons acquiring more than 400 used bags in any one of the past six months through removing their contents. They must dispose of an equal number of bags within 60 days according to the order, to prevent excessive accumulation of empty bags. Samplers may probe the contents of a bag if they do not tear or damage the fabric.

The order also prohibits the sale of second-hand bags to users unless the bags have been repaired and all holes mended or patched.

Also, it curtails the sale of new burlap bags to any person to a maximum of 50 per cent of the number of burlap bags sold to that person in 1941. Excepted from this provision are appeals granted under Order M-47 (burlap and burlap products), and restricts the use of new burlap bags to packing the following: Barley, beans and peas, chemicals (other than fertilizer), dairy products, mohair, potatoes, rice, root salt, feeds and meals for animal consumption, dried fruits, nuts, seeds, sponges, starch, raw sugar, wheat, and wool and wool products.

Control of Squash, Asparagus, and Tomato Insects

Short mimeographed statements from the Department of Entomology of the Washington Agricultural Experiment Station recently have been issued on squash bug, asparagus beetle, and tomato insects, describing the life history of these insects and recommending control measures.

Reference: "Asparagus Beetle", "Squash Bug", "Tomato Insects". Washington Agricultural Experiment Station, Pullman.

Increased Oyster Fill Requested by WPB

In a move to conserve additional supplies of tin and steel, the Food Branch of the War Production Board on November 1 requested oyster packers to increase by 40 to 50 per cent the amount of oysters packed in various size containers.

Packers are requested to pack 7½ ounces of oysters in a No. 1 can instead of 5 ounces; and 14 ounces in a No. 2 can instead of 10 ounces. A 50 per cent increase in the fill of other permitted cans also was requested by the Branch.

Approximately 30 packers in the States of Alabama, Florida, Georgia, Louisiana, Mississippi, North Carolina, and South Carolina are affected by the request.

1941 OUTPUT OF FISH CANNERIES

Statistical Bulletin Issued by Fish and Wildlife Service Shows Amount and Value

The output of canned fishery products and byproducts in the United States and Alaska in 1941 had a total value of \$195,340,813, according to statistics issued by the Fish and Wildlife Service of the Department of the Interior. Of this total, \$138,684,157 represents the value of canned products, and \$56,656,656, byproducts. In 1940 the value of the total output was \$124,586,978, of which canned products accounted for \$94,114,046.

The following table presents the 1941 output of canned products in standard cases and in pounds, the number of plants operating on these products, and the value:

PRODUCTS	Number of plants	Standard cases	Pounds	Value
Salmon:				
United States.....	28	890,580	43,180,272	\$11,190,317
Alaska.....	100	6,932,040	332,737,920	56,217,601
Sardines:				
Maine & New Hampshire.....	20	3,131,276	78,281,900	12,475,991
California and Oregon.....	40	5,007,154	240,343,392	18,091,873
Tuna and tunalike fishes.....	28	2,931,581	70,357,944	19,397,887
Mackerel.....	37	935,001	44,880,048	3,503,718
Albacore.....	9	42,156	2,023,488	153,269
Albino roe.....	24	48,182	2,312,736	338,160
Shad.....	7	4,563	210,024	30,447
Shad roe.....	8	1,734	83,232	50,754
Clam and dog food.....	11	1,009,515	48,456,720	2,624,487
Fish cakes, balls, etc.....	6	128,841	6,184,368	880,046
Fish flakes.....	3	34,661	1,663,728	371,699
Fish paste.....	6	4,169	200,112	166,343
Herring, sea.....	5	15,117	725,616	114,967
Smoked salmon.....	1	25	1,200	600
Miscellaneous fish.....	12	11,086	532,128	131,971
Salmon eggs (for bait).....	6	3,474	166,752	65,556
Salmon roe and caviar (for food).....	4	3,062	140,976	61,455
Whitefish caviar.....	4	1,802	86,496	79,504
Miscellaneous roe and caviar.....	5	18,486	887,328	211,085
Clam products.....	54	927,343	25,270,965	3,711,029
Oysters.....	48	613,242	9,198,630	2,997,114
Shrimp.....	54	784,209	13,273,112	4,882,544
Crabs.....	28	30,090	1,173,861	547,617
Crab and shrimp gumbo.....	3	600	28,800	3,500
Smoked oysters.....	7	1,206	57,888	31,290
Oyster soup.....	4	3,514	168,672	20,432
Shrimp soup.....	3	3,808	182,784	23,706
Crayfish soup.....	3	1,415	67,920	16,989
Shellfish bouillon.....	4	222	10,656	1,878
Shellfish paste.....	3	250	12,000	8,536
Turkey products.....	3	77	3,696	4,802
Turtle products.....	6	11,298	542,304	123,952
Miscellaneous shellfish, etc.....	10	14,524	697,152	125,948
Total.....	400	23,555,321	924,150,820	138,684,157

* "Cut out" or "drained" weights of can contents are included for whole and minced clams, and the gross can contents for other clam products. * Exclusive of duplication.

The following table presents the value of canned products and byproducts by States:

State	Canned products	By-products	Total
Maine and New Hampshire.....	\$14,139,060	\$636,157	\$14,775,217
Massachusetts.....	2,096,803	3,835,679	5,932,484
Rhode Island.....		1,241,980	1,241,980
Connecticut.....		1,914,116	2,341,705
New York.....	427,580	4,328,309	6,344,343
New Jersey.....	1,006,706	340,328	1,373,209
Pennsylvania.....		1,509,417	2,615,212
Delaware.....		2,329,848	2,493,143
Maryland.....	1,055,795		
Virginia.....	163,295		
North Carolina.....	116,644		
South Carolina.....	650,580		
Georgia.....	394,593		
Florida.....	238,002		
Alabama and Mississippi.....	2,730,037		
Louisiana.....	3,316,868		
Texas, Illinois, Missouri, Minnesota and Wisconsin.....	508,832	269,016	777,848
Iowa.....		2,491,456	2,491,456
Washington.....	7,120,960	3,003,325	10,224,285
Oregon.....	7,764,434	583,435	8,347,869
California.....	39,830,950	26,853,719	66,684,669
Alaska.....	56,453,007	2,459,341	58,912,348
Total.....	138,684,157	56,656,656	195,340,813

* Includes Maine only.

Alaska Salmon Pack Totals 5 Million Cases

The 1942 pack of canned Alaska salmon totaled 5,015,375 standard cases, according to the October 31 report of the U. S. Fish and Wildlife Service. This compares with the 1941 total of 6,865,463 standard cases.

The following table presents the pack by districts and species:

DISTRICT	Coho Cases	Chum Cases	Pink Cases	King Cases	Red Cases	Total Cases
Bristol Bay.....	2,627	16,497	8,725	3,169	436,174	467,192
Alaska Peninsula:						
North side.....						
South side.....	9,759	114,699	286,636	789	53,405	465,286
Chignik.....	1,088	11,939	22,882	378	56,951	93,238
Kodiak.....	10,531	77,953	314,195	336	82,842	485,857
Cook Inlet.....	58,043	39,705	54,042	28,549	97,688	278,037
Prince Wm. Sound.....	12,194	81,555	359,318	438	14,003	468,108
Copper River.....	64,964			5,254	46,029	116,847
Yakutat.....	17,927	6	2,426	96	10,092	31,447
Icy Strait.....	8,311	44,834	118,790	248	10,964	183,147
Western.....	26,113	130,855	339,504	71	15,192	511,735
Eastern.....	12,108	74,580	254,772	271	8,130	349,870
Wrangell.....	42,730	67,652	107,742	805	22,212	301,231
South Prince of Wales Island.....	36,901	96,628	337,418		12,091	483,038
Southern.....	27,964	181,362	533,057	344	37,713	780,340
Total 1942.....	331,270	938,165	2,799,507	40,838	905,595	5,015,375
Total 1941.....	350,223	706,845	4,620,789	40,422	1,147,184	6,865,463

AMA Purchases of Canned Foods

The Agricultural Marketing Administration of the Department of Agriculture announced during the period October 30-November 6, the purchase of the following canned foods in the indicated quantities: Tomato puree, 57,896 cases; tomato juice, 17,000 cases; tomato paste, 30,000 cases; canned pork products, 33,163,100 pounds; mackerel, 10,773 cases; pilchards, 145,886 cases; sardines, 21,500 cases; and salmon, 40,431 cases by spot purchase and on option.

INTERPRETATION OF AMENDED M-237

(Concluded from page 7317)

their packs until the delivery dates prescribed by the original order. However, it was feared that the new provisions imposing quota limitations on acceptance of delivery by wholesale receivers might obstruct canners in taking advantage of paragraph (b) (2). It was thought possible to permit the wholesale receiver to accept deliveries in excess of his quota when such deliveries would be permissible as far as the canner was concerned, but would be frozen in the wholesale receiver's hands because they were in excess of the canner's delivery quota. The order allows this only in cases where the particular goods delivered to the wholesale receiver in excess of the quota established for him, are goods which, in any event, the wholesale receiver could not deliver before April 1, because of the limitations on canners' deliveries which have already been mentioned. Thus, the wholesale receiver can accept deliveries over his quota, only of the last 30 per cent of the canner's pack. The provision does not relax the restrictions on shipments, as shipment may be made only if heated storage space is unavailable, as stated in paragraph (b) (3). For compliance reasons, it was thought advisable to limit acceptance of deliveries in excess of the wholesale receiver's quota to cases where the delivery was and remained in excess of the canner's quota, in order to impose on the canner a share of the responsibility to see to it that the restrictions of the order were complied with. When a part of a canner's last 30 per cent may be shipped because of lack of heated storage space, it may be shipped to the wholesale receiver's warehouse or in any other authorized way, just as any other restricted canned foods delivered in advance of the permitted delivery date may be shipped.

"The answer to your 'main question', therefore is, subject to qualifications given above, that a wholesale receiver may accept deliveries in excess of his quota (the wholesaler's quota) providing the canner's delivery date is April 1, 1943. The wholesaler is then bound (whether or not he agrees) not to sell before that time.

"I have attempted this rather lengthy explanation in order to make it clear to you that the provision is not capricious or inadvertent in its effect, but that it was carefully thought out and accomplishes just what it was intended to accomplish. I am sorry to learn that the trade has had difficulty with this provision and I would appreciate your cooperation in clearing up this difficulty by making copies of this letter available to persons who have made inquiries of you. I would suggest that this letter be reproduced in full, as a response to such inquiries, rather than that you should attempt to paraphrase it or quote from it."

The principal provisions of the amended order as they affect canners' shipments may be summarized as follows:

1. A canner may sell and ship immediately 70 per cent of his civilian pack, provided shipments in anticipation of December 1 quotas are covered by buyers' certificate.
2. The remaining 30 per cent of the canner's civilian pack may be sold provided it is stored at or near the canner's factory. If however, the canner has no heated warehouse space, he may ship this remaining 30 per cent provided he notifies WPB that he has no heated storage facilities and is covered by buyers' certificate.

WPB Studying Substitute Container Problem

Organization of several technical committees in the container industry to assist in the development of substitutes for tin, steel and other critical materials has been announced by William W. Fitzhugh, Deputy Chief of the Container Branch of the War Production Board.

The committees, set up voluntarily by the container industry, have offered their assistance to the Branch in solving difficult problems surrounding the development and use of substitute materials. This is in line with the recent statement of the Branch pointing out that substitutes should be developed immediately to avoid a serious problem in packing foods and other products.

Mr. Fitzhugh said that if packers would submit their problems to the Branch, together with a description of what efforts had been made to develop substitutes, the data would be forwarded to the proper committee with a request for practical assistance in perfecting a substitute container.

Ceiling Essential for Blended Maple Syrup

Packers of blended maple syrup—who now add less expensive corn syrup to their product because of sugar rationing and a heavy demand for maple syrup—must apply to the Office of Price Administration for a ceiling price on this changed product, OPA warned the industry November 5.

Previously, this syrup was made of a blend of cane sugar and maple sugar syrup only. Corn syrup now has been added to these two items by certain packers.

Packers making this product apparently inadvertently have been pricing the article under Section 2 (b) of the General Maximum Price Regulation (use of the price of the most closely competitive seller of the same class for the same commodity or for the similar commodity most nearly like it).

Since the product had not been manufactured previously by competitive sellers, packers invariably wound up using the ceiling price of their own cane and maple blend or the ceiling price of a competitor's corn syrup blend which had itself been calculated in this improper manner. This is not permissible, since use of corn syrup—which is less expensive than either the maple or cane syrup it replaces—definitely makes it a new product, it was explained.

Procedure on pricing new products under Section 3 (b) calls for filing of such determined new product maximum price with OPA's Washington office.

New Head of Commerce Research Division

Secretary of Commerce Jesse Jones has designated Dr. Amos E. Taylor as Chief of the Division of Research and Statistics, Bureau of Foreign and Domestic Commerce, to succeed Dr. Robert F. Martin, who has resigned to accept a position in the Office of Imports, Board of Economic Warfare.